

U.S. DEPARTMENT OF ENERGY
**Office of Electricity Delivery and
Energy Reliability**



ENERGY ASSURANCE DAILY

January 25, 2006

Electricity

Fluor Completes Construction of 620 MW Gas-fired Plant in Texas

Fluor Corporation has completed construction of the 620 MW natural gas-fired, combined-cycle Jack County Generation power plant, located near Jacksboro, Texas.

<http://biz.yahoo.com/prnews/060124/latu073.html?v=44>.

FPL's 839 MW Unit 2 at the St Lucie Nuclear Plant in Florida Ramps Up to 35 Percent

According to a report filed with the Nuclear Regulatory Commission, FPL Group's 839 unit 2 at its St Lucie nuclear generating station in Florida ramped up to 35 percent of capacity as it exited an outage that began on January 20 to repair a leaking condenser.

Reuters, 07:22 January 25, 2006.

PG&E's 404 MW Unit 2 at its Helms Hydro Plant in California Shut January 23

Reuters, 14:09 January 24, 2006

Petroleum

EU Energy Chief Says Iran Unlikely to Cut Supplies, IEA Prepared for Disruption

The European Union's Commissioner, Andris Piebalgs, has said that Iran is unlikely to use oil as a weapon in the dispute over its nuclear activities and that the EU has mechanisms capable of dealing with a supply disruption from the world's fourth biggest oil producer. Iranian President Mahmoud Ahmadinejad has not ruled out triggering an oil price rise if the United Nations imposes sanctions. Piebalgs said that the International Energy Agency would call for the release of security stocks if that were to happen.

<http://asia.news.yahoo.com/060124/3/2elxz.html>.

Delays In Turkish Straits Now at 20 Days for Oil Tankers

Bad weather has again closed the Bosphorus and Dardanelles to shipping. The delay for oil tankers has now reached 20 days according to traders in the region. The straits, connecting the Black Sea and the Mediterranean, are a major outlet to world markets for non-OPEC oil production.

Reuters, 07:40 January 25, 2006.

Exxon Sees Flat U.S. Gasoline Demand so no Need for New Refineries

According to a staff member in attendance, an executive of ExxonMobil in a briefing held for congressional staff, said that since the company's forecast for gasoline demand is flat between now and 2030, the company sees no need to build new refineries in the U.S. Scott Nauman, manager of Exxon's economics and energy division, held the briefing on January 24 for staff members of the House Energy and Commerce Committee. Reuters, 14:12 January 25, 2006

Chevron Starts Output from 200,000 b/d Deepwater Project Off Angola

Chevron has begun production at its deepwater Belize field on Block 14 off Angola, the first of five big developments planned in the area coming on line now through 2009. When all projects are complete, they will supply a combined 200,000 b/d of crude. Angola exported over 300,000 b/d to the United States in 2004. Oil Daily, January 25, 2006.

Update: Shell Sees Forcados Exports Delayed Two Weeks – Force Majeure Remains in Effect

Shell anticipates that while repair work is continuing to pipelines and facilities damaged by militants in Nigeria, it will be two weeks before loading of some Forcados cargos takes place. The Force Majeure announced affecting more than 220,000 b/d of production remains in effect. Reuters, 07:03 January 25, 2006.

Update: Agip Employees in Nigeria Stay Home After Attacks

Many employees of Italian oil firm Agip did not come in for work in Nigeria on January 25, a day after armed men in speedboats attacked the company's offices, killing nine people and two days after security forces repelled another attack. It is not yet known what impact this will have on Agip's production. <http://news.bbc.co.uk/go/pr/fr/-/2/hi/africa/4646068.stm>.

Rebels Kidnap Occidental Employees Working on Pipeline in Colombia

Unidentified kidnappers in eastern Colombia took hostage three contract employees for Occidental Petroleum Corp., killing one, and releasing the other two unharmed on January 24. The hostages, all Colombian, were helping to construct an oil pipeline in the oil-rich state of Arauca. Colombia supplied the U.S. with 176,000 b/d of crude oil and petroleum products in 2004. <http://www.thedailyjournalonline.com/article.asp?ArticleId=219055&CategoryId=12393>.

Colonial Pipeline Remains on Allocation as Shipping Demand Continues to Exceed Capacity

Colonial Pipeline announced that a system of allocations remains in effect since the nominations for delivery continue to exceed the capacity of the system. The allocations will remain in place through cycle 8. Reuters, 09:53 January 25, 2006.

Iraqi Export Pipeline Again Shut by Sabotage – Basra Again Shut by Bad Weather

Only one day after achieving a flow of 500,000 b/d, the Iraqi oil export pipeline to Turkey has been shut down by sabotage once again. According to an Iraqi oil official, at least two explosions have completely shut the export line from Iraq's northern oil fields to Ceyhan in Turkey. In addition, bad weather, compounded by a shortage of tugboats has temporarily halted oil exports from the southern port of Basra.

Reuters, 12:34 January 25, 2006.

Reuters, 09:58 January 25, 2006.

Delek Shuts SRU and Reduces Feed Rates to the FCC at its Refinery in Texas, January 25, 2006

According to a report filed with regulators, Delek has shut a SRU and reduced feed rates to the FCC unit at its 55,000 b/d refinery in Tyler, Texas in order to perform maintenance work. Reuters, 09:56 January 25, 2006.

Natural Gas

Update: FERC Approves NGPL Gas Storage Expansion Project

FERC has issued a certificate to Natural Gas Pipeline Company of America (NGPL) to add 10 Bcf of working gas capacity and increase its peak-day withdrawal and late-season withdrawal capabilities at its North Lansing Storage Field in Harrison County, TX.

Natural Gas Intelligence, January 24, 2006.

Hurricane Recovery Updates

December 15 was the last scheduled hurricane emergency situation report prepared in 2005. There will be no further updates to refinery, natural gas plant, or pipeline data. The U.S. Minerals Management Service continues to provide status reports on Gulf of Mexico production every two weeks. This information is represented in the tables below. For past Gulf Coast Hurricanes situation reports, see the website of the Office of Electricity Delivery and Energy Reliability (OE) of the U.S. Department of Energy at:

<http://www.oe.netl.doe.gov>. **January 25, 2006 will be the last day that the Energy Assurance Daily reports daily shut-in statistics for the Gulf Coast and Louisiana.**

Gulf Coast and Louisiana Shut-in Production Per Day January 25, 2006*			
	Gulf Coast	Louisiana	Total
Gas (MMcf/day) % of normal	1,656 16.6%	613 27.4%	2,269 18.5%
Oil (bbls/day) % of normal	373,407 24.9%	79,109 38.9%	452,516 26.6%

NOTE: Normal Production in the Gulf Coast (Outer Continental Shelf as reported by MMS) is 10,000 MMcf/d of gas and 1,500,000 b/d of oil. Normal Production in Louisiana (as reported by DNR) is 2,235 MMcf/d of gas and 203,139 b/d of oil.

*Sources: [U.S. MMS](#), January 25, 2006 and [Louisiana DNR](#), January 25, 2006.

Gulf Coast Cumulative Shut-in Production Ivan vs. Katrina/ Rita		
	Ivan 9/13/04 - 02/14/05	Katrina/ Rita 8/26/05 – 1/25/06
Gas (MMcf)	172,259	609,261
Oil (bbls)	43,841,245	119,356,377

Source: [U.S. MMS](#), January 25, 2006.

Louisiana Pipeline Operation January 25, 2006			
Total	Open	Partially Open	Shut-in
55	19	16	20

Source: [Louisiana DNR](#), January 25, 2006.

Other News

Nothing to Report.

Energy Prices

U.S. Oil and Gas Prices January 25, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	65.60	65.76	49.43
NATURAL GAS Henry Hub \$/Million Btu	8.50	8.86	6.44

Source: Reuters

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated on Wednesdays.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 1:00 pm (Eastern time) on Wednesdays.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 pm (Eastern time) on Thursdays.

Infrastructure Security and Energy Restoration Website from ISER/OE/DOE

<http://www.oe.netl.doe.gov>

Updated after 5:00 pm (Mon. thru Fri.) with latest Energy Assurance Daily; previous Energy Assurance Daily and emergency situation reports are also posted on the website.